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SENSITIVE  
SIPDIS

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USAID FOR AFR/EA, AFR/SD, EGAT/AG, DCHA/FFP

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SUBJECT: Global Hunger and Food Security Initiative: Diplomacy and  
Development Plan for Ethiopia

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\* Missing Section 001 \*  
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Corps, and USDA. An expected outcome of the interagency retreat will be the identification of an interagency coordinator for GHFSI. Logically, this person would be the USAID Mission Director or Deputy Mission Director, but details will be hammered out during the retreat.

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Leverage Benefits of Multilaterals  
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¶17. (U) Under GHFSI, the USG will engage more intensively with multilateral institutions. Through this collaboration, donor investments can be leveraged for maximum impact, while also aligning with the GOE's agriculture development plans outlined in CAADP. Already, the USG has been a major participant in the design of the second phase of the multi-donor funded GOE Food Security Program (FSP), which includes funding from the World Bank, USAID, EC, DFID, Irish Aid and CIDA (Ref D). The three components of FSP include the Productive Safety Net Program (PSNP), the Household Asset Building Program (HABP) and the Complementary Community Investment (CCI) Program. For PSNP, the USG is the largest donor, with resources covering approximately one third of the 292 PSNP woredas (districts). In the design of the HABP, the GOE replicated USAID's PSNP Plus program, which assists PSNP beneficiaries to diversify agricultural production, foster market linkages, and access microfinance. To ensure strong implementation of HABP, the USG has pledged financial and technical assistance to MOARD's Extension Directorate in the rolling out of HABP. The USG's leadership in the design of the second phase of the FSP serves as a model for future multilateral food security response activities.

¶18. (U) Over the last several months, the USG has participated in pre-design activities for the Agriculture Growth Program (AGP), a GOE program that aims to accelerate growth in the agriculture sector with a focus on neglected high potential areas. The program has secured both multilateral and bilateral funding pledges from such donors as the World Bank, CIDA, Netherlands and USAID. With the majority of donor resources allocated for food security programs, the AGP aims to boost funding for development activities in food secure rain sufficient areas that are near to towns with populations greater than 50,000. Major components of the program include strengthening extension service provision and farmer organizations, improving delivery of agriculture inputs, promoting agribusiness/value chain activities and constructing of small-scale irrigation infrastructure and rural feeder roads. Given its extensive experience in value chain development, USAID expertise will be drawn upon in the design of the AGP. The USG also expects to provide technical assistance and investment around input supply, livestock improvement programs and monitoring and evaluation activities. If appropriate, the USG may request that resources from the new World Bank administered Global Hunger and Food Security Program be used for the AGP.

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Sustained and Accountable Commitment  
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¶19. (SBU) The Ethiopian government and people dislike the association the country has in many people's minds with hunger and famine, and resent that the first thing many foreigners think of in connection with Ethiopia is food insecurity. Given that previous regimes have been brought down at least in part by widespread hunger and starvation, the GOE is hyper-sensitive to negative food insecurity statistics and reports, and any suggestion that it is not handling drought conditions and humanitarian relief properly. Where other governments may exaggerate hunger statistics to increase assistance received, the GOE appears to underestimate need, such that USG assessments do not always match those of Ethiopia. At the same time, both international and domestic observers have suggested that the GOE politicizes humanitarian assistance and food aid through its control of assistance distribution.

¶20. (SBU) Given the sensitivity of the GOE and Ethiopian people to the food security issue, post will ensure that positive efforts that our countries are initiating in partnership to increase and improve food security in Ethiopia are not overlooked. At the same time, we will be alert to the issue of politicization of assistance, and ensure that our public outreach conveys the importance the USG places on transparency and accountability. Our political and economic reporting will continue to examine allegations of the politicization of foreign assistance, and will analyze the economic as well as humanitarian impact of USG investments on agriculture development in Ethiopia. We will use success stories to highlight

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\* Missing Section 005 \*  
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